

**BOSTON REDEVELOPMENT AUTHORITY
REPORT AND DECISION ON APPLICATION FOR
APPROVAL OF THE EMPLOYERS' COMMERCIAL UNION
INSURANCE GROUP**

121A APPLICATION

A. The Hearing. A public hearing was held at 2:30 p.m. on July 31, 1969, in Room 921, 1 City Hall Square, Boston, Massachusetts, by the Boston Redevelopment Authority (hereinafter called the "Authority") on the Application dated July 9, 1969, of the Northern Assurance Company of America, The Employers' Fire Insurance Company, American Employers' Insurance Company, The Pennsylvania Insurance Company and Commercial Union Insurance Company of America, all located at 110 Milk Street, Boston, Massachusetts (which insurance companies together with any other members of the Employers-Commercial Union Companies, a group of insurance companies within the meaning of Section 18 of said Chapter 121A are hereinafter referred to as the "Applicants"), for authorization and approval of a project under Chapter 121A of the Massachusetts General Laws (Ter. Ed.), as amended, and Chapter 652 of the Acts of 1960, as amended, due notice of said hearing having been given previously by publication on July 16 and 23, 1969 in THE BOSTON HERALD TRAVELER, a daily newspaper of general circulation published in Boston, and mailing postage prepaid, in accordance with Rule 8 of the BOSTON REDEVELOPMENT AUTHORITY RULES AND REGULATIONS FOR SECURING APPROVAL OF PROJECTS IN BOSTON UNDER CHAPTER 121A OF THE GENERAL LAWS AS AMENDED and in accordance with the provisions of Section 13 of said Chapter 652. The following members of the Authority were present during the hearing:

Rt. Rev. Msgr. Francis J. Lally
Melvin J. Massucco
James G. Colbert
George P. Condakes
Patrick Bocanfuso

B. The Project. The Project consists of the demolition of the existing structures and the planning, construction, landscaping, maintenance and management by the Applicants of the structures and improvements listed hereinbelow, on a tract of land bounded generally by Beacon, Tremont and Somerset Streets and Pemberton Square. Said premises are shown on a plan, attached as Exhibit B to the Application, entitled "Topographic Plan of Land, Boston, Massachusetts, by Harry R. Feldman, Inc., dated December 11, 1968, as revised April 28, 1969, to show Plan of Proposed Street Widening - One Beacon Street." Those premises are hereinafter referred to as the "Project Area." The following structures and facilities are proposed to be constructed thereon:

1. An office tower of approximately thirty-six stories, containing about 1,000,000 square feet of office space. A portion of the tower will be used by the Applicants and the remainder rented to commercial tenants. Space will be provided for a bank, cafeteria and/or a restaurant, and a new moving picture theater.
2. A substantial underground parking garage primarily for the use of occupants of the building.
3. A plaza area surrounding the building and operating as a visual continuation of the Pemberton Square area now being renovated by the Authority. A portion of the Plaza will be designed to accommodate outdoor displays, exhibits and other uses designed to attract visitors.

C. Authority Action. Before making the findings and determinations hereinbelow set forth and approving the Application, the Authority has considered the Application itself, all documents, plans and exhibits filed with it or referred to in it, the model of the project displayed at the hearing, the oral evidence presented at the hearing, the exhibits offered in evidence at the hearing and the arguments and statements made at the hearing. The members of the Authority are also personally familiar with and have recently inspected the Project Area and surrounding neighborhood.

Accordingly, the Authority hereby makes the following findings and determinations:

There are seven buildings in the Project Area. At least five of the seven were built prior to 1900. The other two buildings were built around 1901 and 1911. No new buildings have been constructed within the Project Area for over fifty-five years. All buildings presently located within the Project Area are both functionally and economically obsolete. At least six of the seven buildings are in need of major maintenance and repair.

The Houghton-Dutton Building, formerly a twelve-story department store within the Project Area, was subject to a tax foreclosure and was later demolished to the ground level. No building has been built to take its place, and the area is presently being used as a parking lot.

The construction of the Center Plaza, Boston Company, and New England Merchants National Bank Buildings, all of which are within the immediate vicinity of the Project Area and all of which are major office buildings, together with the obsolescence of the Houghton-Dutton Building, reflect the fact that there has been a substantial change in the business and economic conditions in the area away from retail and commercial use towards office use.

Decadent Area: The Project Area is a decadent area within the definition contained in Section 1 of Chapter 121A in that the area is detrimental to the safety, health, morals, welfare or sound growth of the community because it is improbable that the area will be redeveloped by the ordinary operations of private enterprise without the assistance provided by said Chapter 121A by reason of the following conditions, all of which are applicable to the Project Area:

(a) The existence of buildings which are out of repair, physically deteriorated, unfit for human habitation or obsolete, or in need of major maintenance and repair;

(b) A major building within the Project Area has been taken for non-payment of taxes, torn down and not replaced and existing conditions make it improbable that such building will be replaced;

(c) A substantial change of business and economic conditions has taken place in the Project Area;

Blighted Open Area: In addition to being a decadent area, a portion of the Project Area is also a blighted open area within the definition contained in Section 1 of Chapter 121A in that said portion is detrimental to the safety, health, morals, welfare or sound growth of the community because it is unduly costly to develop it through the ordinary operations of private enterprise without the assistance provided by said Chapter 121A by reason of the following factors, all of which are applicable to that portion of the Project Area:

(a) The existence of the substantial old Houghton-Dutton foundation on the site require extensive exploratory excavation and an expensive removal operation. In addition, the steep slope of the hill on this site makes it necessary to carry excavation deep into the hill; and

(b) A substantial change in business or economic conditions has taken place within the Project Area.

The Project as described in the Application constitutes a "project" within the meaning of said Chapter 121A since it provides for the construction in a decadent or substandard area of decent, safe and sanitary commercial buildings and such appurtenant and incidental facilities as shall be in the public interest, and the operation and maintenance of such buildings and facilities after construction.

There are conditions which warrant the carrying out of the Project. The purposes of said Chapter 121A and said Chapter 652 will be met. It will involve the construction in a heavily populated area of the City a large and modern office building having a long usable life and providing needed facilities for commercial use and enjoyment. The construction of the underground garage will provide badly

needed off-street parking in a heavily congested area. The erection of a new home office building for the Employers' Commercial Union Companies in Boston will insure the employment of over twenty-one hundred people and prevent the possible loss of these jobs to the Boston economy should the home office be moved to another city. It will eliminate conditions of blight, decadence and deterioration thereby acting as an incentive to the sound growth, redevelopment and renewal of the area in the vicinity of the Project Area. The Project will provide a substantial financial return to the city greatly in excess of the amount presently coming to the city from the Project Area. An agreement has been reached with the city to pay an amount in addition to the excise which after completion of the construction and full occupancy will result in an estimated \$2,024,000 per annum to the city. At present, the city only receives approximately \$250,000 annually from the properties located within the Project Area. Thus, upon completion of the Project with full occupancy the city will receive an estimated \$1,774,000 over and above what is presently being received from the Project Area. Moreover, the Applicants have agreed to pay the city \$1,940,000 during the estimated three-year period of construction which also represents a substantial increase in tax revenues to the city.

The cost of the Project has been correctly estimated.

The Project will be practicable. All land in the Project Area except public streets is already owned by the Applicants. The entire cost of the construction of the buildings and improvements is proposed to be paid by the Applicants either with their own funds or at their option, with the use of conventional mortgage funds. The Authority believes that the Applicants are well able

financially to carry out the Project.

The Project does not conflict with the Master plan of the City of Boston.

The Project provides for buildings, improvements and activities of types contemplated for the Project Area by the 1965-1975 General Plan for the City of Boston, approved by the Authority on March 11, 1965.

The Project will not be in any way detrimental to the best interests of the public or the City or to the public safety or convenience or be inconsistent with the most suitable development of the City. The Project will constitute a public use and benefit.

The Project Area does not include land within any location approved by the State Department of Public Works for the extension of the Massachusetts Turnpike into the City of Boston.

The minimum standards for financing, construction, maintenance and management of the Project, all as set forth in Exhibit D, filed with and attached to the Application, are hereby adopted and imposed as rules and regulations applicable to this Project for the same period as the Project is subject to the provisions of said Chapter 121A and said Chapter 652.

The carrying out of the Project will require the erection, maintenance and use of a garage within 500 feet of a building occupied in whole or in part as a church, to wit, King's Chapel, and the Authority hereby determines that such parking facilities will not be substantially detrimental to such church; and an application may be granted and a permit issued for the erection, maintenance

and use of such parking facilities, anything in Chapter 316 of the Acts of 1922 to the contrary notwithstanding. The Authority also finds that the granting of such application and the issuance of such permit is reasonably necessary in order to carry out the Project.

The carrying out of the Project will involve the destruction of a building occupied in whole or in part as a dwelling; and there is a feasible method for the temporary relocation of families displaced from the Project Area and there are, or are being provided, in other areas not generally less desirable in regard to public utilities and commercial facilities and at rents or prices within the financial means of the families displaced from the Project Area, decent, safe and sanitary dwellings equal in number to the number of, and available to, such displaced families and reasonably accessible to their places of employment.

The Project does not involve the construction of units which constitute a single building of a type which could be considered as a separate building under the Boston Building Code and zoning law for the purposes of Chapter 138 of the General Laws.

The Application contains no request for the Project to deviate from zoning, building, health and fire laws, codes, ordinances and regulations in effect in Boston.

The Authority finds that the construction and use of the project will not be in contravention of any zoning subdivision, health or building ordinances or bylaws, or rules and regulations of the City of Boston, or of any Boston municipal board, in effect in the location of the proposed project.

The Authority hereby finds that the Application and the Project conform to and comply with each and every applicable requirement of Chapter 121A of the General Laws (Ter. Ed.), as amended, Chapter 652 of the Acts of 1960, as amended, and the applicable Rules and Regulations of the Authority; and the Authority, for these reasons and for the reasons set forth in the Application and supporting documents, and the evidence presented at the hearing, and in this Report, and in the materials referred to in this Report, hereby approves the Application and Project, as requested in the Application.

